Mr. James Isom, General Manager Wackenhut Services, Incorporated Savannah River Site P. O. Box W Aiken, SC 29802

Dear Mr. Isom:

SUBJECT: Award Fee Determination for October 1, 2005, through March 31, 2006, of Contract DE-AC09-99-SR18950

I have completed my evaluation of the Wackenhut Services, Incorporated-Savannah River Site (WSI-SRS) contract performance and determined your award fee based on the Performance Objectives and Criteria set forth in the Award Fee Plan. These objectives and criteria reflect the SRS Management Focus Areas of safety and security; technical capability and performance; community, state and regulator relationships; cost-effectiveness; and corporate perspective.

As the Fee Determination Official for the Department of Energy (DOE) Savannah River Operations Office (SR), I am pleased to inform you that WSI-SRS earned 96% of the available fee of \$1,850,000. By using established rating criteria, WSI-SRS demonstrated an overall good level of performance during this period. WSI-SRS continued to demonstrate sound protection strategies and technical guidance in a number of new initiatives associated with Design Basis Threat (DBT) and Tactical Training initiatives.

During this period, the DOE Headquarters (HQ) Office of Security and Safety Performance Assurance evaluated the WSI-SRS Training Division on Safety Management within the protective force training program. This independent oversight assessment examined range operations, physical fitness programs, and Security Police Officer (SPO) Dye Marking Cartridge training. The external assessment confirmed that WSI-SRS has fully integrated a formal safety program into protective force training operations. The evaluation clearly indicated that WSI-SRS has a skilled Training Division that devotes the appropriate attention and resources to implementing a robust and safe training program.

In December 2005, the Special Operations Training Department conducted tests firing of two new weapons using the principles of the Integrated Safety Management System (ISMS). Following briefings to the WSI-SRS Integrated Safety Committee, the Range Master and Range Safety Specialist developed a risk assessment, which was approved by the Director of Training. The Range Master conducted live fire of all Barrett .50 caliber rifles and 40 MM grenade launchers were test fired. This activity is a clear example of the high level of safety awareness within the WSI-SRS Training Division.

During this rating period, WSI-SRS Law enforcement personnel provided exceptional service to site employees entering and exiting the site through the New Ellenton Barricade during construction of the new barricade. WSI-SRS officers implemented frequent changes in access and egress routes for site traffic and vendors to ensure that safe and positive access control measures were maintained during construction. WSI-SRS Law Enforcement personnel worked closely with the construction contractor to ensure safe and efficient operations at the barricade.

Additionally, SPOs working at the barricade observed potential safety concerns associated with construction activities and called for a "Stop Work." The construction employees complied and worked with construction management and oversight to correct the problem. The potential for an accident was averted with quick action and communications. On another occasion, Barricade 2 personnel noticed that a tanker truck attempting to enter the site was leaking a substance from a valve. WSI-SRS Law Enforcement, SRS Fire Department and the site HazMat Team were notified and immediately responded and resolved the problem.

As our nation remains in a heightened security posture, WSI-SRS continued to demonstrate solid and sound protection strategies for critical facilities and the SRS in its entirety. WSI-SRS continued active support of all 2003 DBT implementation actions and milestones. Activities during this period included the continued procurement of new protective force equipment and weapons, and also included the preparation and implementation of lesson plans for the new equipment. At the present time, implementation of applicable requirements of the 2003 DBT is on schedule for completion by September 2006. These requirements include additional security posts, vehicle barrier upgrades, and new protective force weapons/equipment. WSI-SRS Special Response Team personnel continued to provide efficient and effective support to the DBT project. They completed training and development of a new machine gun, completed driver training on the Bearcat Armored Vehicle and participated in training exercises related to the DBT enhancement strategies.

During this period, there have been a number of significant achievements accomplished by the WSI-SRS Training Division which has lead to DOE-HQ recognizing the WSI-SRS Tractical Training initiatives as leading the DOE Complex. On March 20, 2006, the WSI-SRS Training Director was asked to provide a briefing at the annual DOE Safeguards and Security Directors and Contract Security Manager's Meeting regarding the various tactical training initiatives implemented at SRS. Significant achievements during this period include WSI-SRS in conjunction with DOE-SR published the Protective Force Tactical Training Manual. This is the first comprehensive document within the DOE complex that provides tactical doctrine on how to conduct individual and small unit tactical operations. During a capabilities tour of WSI-SRS, a copy of this manual was provided to Mr. William Desmond, National Nuclear Security Administration Associate Administrator for Defense Nuclear Security, who has subsequently advised this document is "exceptionally well written and comprehensive."

In November 2005, WSI-SRS received accreditation as a Public Safety Training Academy by the Commission on Accreditation for Law Enforcement Agencies, Inc., (CALEA). The CALEA Assessment included a comprehensive on-site evaluation, reviewing accreditation files, evaluating compliance with professional standards, observing training, assessed facilities, and conducted interviews.

In March 2006, DOE-HQ conducted the annual audit of the SRS Aviation Program. Representatives from the Federal Aviation Administration (FAA) Flight Standards District Office in Columbia, SC, assisted with the audit. This is the first time the FAA has been involved in this audit, an in-depth examination of the SRS Aviation Program. The audit focuses on five primary areas: Management, Safety, Operations, Maintenance, and Training, and includes a FAA Part 135 compliance review. Areas for improvement were noted in the procurement process and in Part 135 manual updates. The audit revealed that the SRS Aviation Program continues to be one of the leading aviation programs in the DOE complex.

The DOE helicopter was used on two separate occasions during this period to assist in medical evacuations associated with automobile accidents. The medical evacuations were executed timely and efficiently to accomplish a life-saving mission in both instances the security mission was not adversely affected and the duty helicopter and crew remained mission-ready during this time. Law Enforcement Officers on the scene did an excellent job setting up a safe and advantageous landing zone for the helicopter. The Medical College of Georgia staff credited the rapid response of the helicopter for providing the opportunity to employ life-saving measures that have been credited with saving the employees lives.

WSI-SRS experienced a number of vehicle accidents during this period demonstrating the need to re-address their accident avoidance strategy within the protective force. Additionally, WSI-SRS needs to continue to focus on implementing the ISMS principles in day-to-day operations within all organizational entities and activities within the protective force. There were a higher number of performance failures during this period regarding access control and identifying prohibited items during inspection processes. Your response to address and implement actions to prevent future occurrences has been initiated and should continue to be reviewed.

Overall, the achievements and accomplishments during this rating period demonstrate professional excellence and illustrate the premier role WSI-SRS maintains in the DOE security community. WSI-SRS is clearly committed to meeting the challenges that lay ahead with implementation of the DBT and tactical training initiatives. DOE-SR oversight personnel will be meeting with your staff to discuss this award fee evaluation in further detail. Thank you for your continued excellent work in support of the missions at SRS and throughout the complex.

Sincerely,

Original Signed By Jeffrey M. Allison Jeffrey M. Allison

Manager

OSSES:RT:scm

OSSES-06-015

cc: R. Allen, WSI-SRS, 703-B

bc: Mgr Rdg File
OSSES Rdg File
C. Corbin, OCM